



Descriptions of Adjustment Investigation Types (I-Types)

Pricing Error Adjustment (PEA)

ITYP Description and Proper Usage

A Pricing Error Adjustment (PEA) will be initiated by the Federal Reserve at the behest of the Bureau of the Public Debt (BPD) when the BPD determines that a bond was redeemed for the incorrect amount or that the bond was processed for the incorrect amount, subject to standard adjustment minimum amount requirements. This investigation type is reserved for Federal Reserve Bank use only.

Disputes Regarding Adjustments

Institutions disputing the BPD's determination may submit an Entry in Error (ERR) adjustment request to the Federal Reserve. The Federal Reserve will contact the BPD on the institution's behalf, and will either respond with a correcting adjustment entry or with additional information upon completion of research by BPD staff. Any further disputes after the completion of the ERR process will require direct communication with the BPD.

Pricing or Amount Errors Identified by Financial Institutions

Institutions that identify pricing errors or errors in the amounts submitted for processing should not submit adjustment requests to the Federal Reserve within the first two weeks after deposit to avoid crossing adjustments with those that will be initiated by the BPD. If, after two weeks, a correcting PEA is not received, institutions may submit requests for adjustments using the Entry in Error (ERR) investigation type with a product type of SBD. Standard adjustment minimum amount requirements apply.

Small Dollar Pricing or Amount Errors

The BPD will not initiate adjustments for pricing or amount errors of \$25 or less. Institutions may request adjustments for small dollar errors directly from the BPD. Inquiries concerning small difference adjustments \$25 or less should be submitted to SavBond.Resolutions@bpd.treas.gov. Include the following information in the request:

- Financial institution name
- Financial institution address
- Contact information
- Bond serial number(s), including bond series and denomination (e.g., C-123,456-789-EE)Transaction date

Adjustments Associated with Savings Bonds

The following adjustments are most commonly associated with savings bonds:

Corrections and Adjustments Initiated by the Reserve Banks

An **Enclosed Not Listed (ENL)** correction will be initiated by the Federal Reserve when a bond is enclosed, but not listed, in a paper cash letter deposit.

An **Entry in Error (ERR)** adjustment will be initiated by the Federal Reserve to correct for other errors identified during savings bonds processing, typically based on direction provided by the Bureau of the Public Debt (BPD).

A **Listed Not Enclosed (LNE)** correction will be initiated by the Federal Reserve when a bond is listed, but not included, in a paper cash letter deposit.

A **Listing Error (LST)** correction will be initiated by the Federal Reserve when a bond is listed in a paper cash letter deposit for an amount different than the encoded amount.

A **Non-Conforming Item (NCI)** correction or adjustment will be initiated by the Federal Reserve when a bond included in an image cash letter fails to meet deposit and processing requirements, including those associated with image quality.

An **Original or Sufficient Copy (OSCR)** adjustment will be initiated by the Federal Reserve on behalf of the BPD when the image received is not of sufficient quality, and the original bond or a better image is required.

A **Paid Item (PAID)** adjustment will be initiated by the Federal Reserve when the Federal Reserve or the BPD identifies that a bond has been deposited for collection twice.

A **Pricing Error Adjustment (PEA)** will be initiated by the Federal Reserve at the behest of the BPD when the BPD determines that a bond was redeemed for the incorrect amount or that the bond was processed for the incorrect amount.

All corrections generated during Reserve Bank processing will be functioned with a product class of Forward (FWD). All adjustments generated on bonds included in mixed and separately sorted deposits will be functioned with a product class of Savings Bonds (SBD).

Adjustments Initiated by Financial Institutions

An **Entry in Error (ERR)** adjustment may be initiated by a financial institution to dispute an adjustment functioned by the Federal Reserve, or to request an adjustment for a pricing or encoding error which was not adjusted through a Pricing Error Adjustment (PEA) within two weeks of the cash letter date. Institutions that identify pricing errors or errors in the amounts submitted for processing should not submit adjustment requests to the Federal Reserve within the first two weeks after deposit to avoid crossing adjustments with those that will be initiated by the BPD. If, after two weeks, a correcting PEA is not received, institutions may submit requests for adjustments using the Entry in Error (ERR) investigation type.

All adjustments initiated by Financial Institutions related to savings bonds should be submitted under the product class of Savings Bonds (SBD). Standard adjustment minimum amount requirements apply.

Additional information regarding adjustments associated with savings bonds will be included in the Check Adjustments Quick Reference Guide and posted prior to implementation.

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